

Ángel L. Dávila Bermejo  
COMPANY SECRETARY



RELEVANT FACT

Pursuant to the regulations in force, please find attached the preliminary announcement concerning the tender offer for the shares of Funespaña, S.A. made by MAPFRE FAMILIAR, COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A., a company 100% owned by MAPFRE, S.A., which must be duly submitted to the Spanish Securities and Exchange Commission (CNMV) by the said company.

Madrid, 30<sup>th</sup> November 2011

COMISIÓN NACIONAL DEL MERCADO DE VALORES  
C/ MIGUEL ÁNGEL, Nº. 11. 28010 MADRID

**MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.** (“**MAPFRE FAMILIAR**” or the “**Offerer**”), in accordance with the provisions set out in article 82 of Law 24/1988, of 28<sup>th</sup> July, of the Securities Market (the Spanish “**Securities Market Act**”), in article 16.2 of Royal Decree 1066/2007, of 27<sup>th</sup> July, concerning the regime governing tender offers of securities (“**Royal Decree 1066/2007**”), and in Circular 8/2008, of 10<sup>th</sup> December, of the Spanish Securities and Exchange Commission (CNMV), hereby makes public the following:

**ANNOUNCEMENT PRIOR TO THE APPLICATION FOR THE APPROVAL OF THE TENDER OFFER FOR THE SHARES OF FUNESPAÑA, S.A. MADE BY MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.**

This announcement is made public by virtue of the provisions of Royal Decree 1066/2007 and contains the main features of the offer, which is subject to the relevant approval of the Spanish Securities and Exchange Commission (“**CNMV**”).

The details of the terms and conditions of the offer will be contained in the explanatory prospectus (the “**Prospectus**”), which will be published after the above-mentioned authorisation is granted.

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**1.- IDENTIFICATION OF THE OFFERER:** The Offerer is MAPFRE FAMILIAR COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A., a Spanish public limited company, with registered offices in Majadahonda (Madrid), Ctra. de Pozuelo a Majadahonda, no. 50 and tax code A-28141935.

The share capital of MAPFRE FAMILIAR amounts to €449,231,220. This share capital is represented by 24,957,290 shares, each with a par value of €18, fully subscribed and paid-up, and each with 1 voting right.

MAPFRE FAMILIAR is a company directly controlled by Mapfre, S.A. and indirectly controlled by Fundación Mapfre.

The Offerer has no shares listed on any regulated market.

**2.- DECISION TO MAKE THE OFFER:** The Board of Directors of MAPFRE FAMILIAR resolved on 27<sup>th</sup> October 2011 to make a tender offer (the “**Offer**”) to

purchase all the shares representing the share capital of FUNESPAÑA, S.A. (“FUNESPAÑA”), which was directed to all its shareholders.

**3.- SUBMISSION OF THE OFFER:** The Offerer intends to submit to the CNMV an application for the authorisation of the Offer, together with the relevant Prospectus and any other documents referred to in article 17 of Royal Decree 1066/2007, within one month from the date of publication of this announcement.

**4.- TYPE OF OFFER:** As a result of the merger between FUNESPAÑA, as acquiring company, and Gestora de Activos Funerarios Gesmap. S.A.U., as acquired company (“the **“Merger”**”), MAPFRE FAMILIAR is currently the holder of 3,511,427 additional shares of FUNESPAÑA, representing 24.53% of its share capital after the Merger. Following the purchase of these shares, which are in addition to the 2,946,244 shares that MAPFRE FAMILIAR already held prior to the Merger, MAPFRE FAMILIAR’s shareholding in FUNESPAÑA stands at 6,457,671 shares, representing 45.12% of the share capital in the latter, after the Merger.

Following the registration of the Merger at the Registrars of Companies of Madrid and Almeria, the terms of the Shareholders Agreement (the **“Shareholders Agreement”**) entered into on 31<sup>st</sup> May 2011 (relevant fact number 144,733) between MAPFRE FAMILIAR, on the one hand, and Mr. Juan Valdivia Gerada –acting on his own behalf and on behalf of Mr. Ángel Valdivia Gerada, Mr. Wenceslao Lamas López and Mr. Wenceslao Lamas Fernández (these latter, together with Mr. Juan Valdivia Gerada, shall be referred to as the **“Minority Shareholders”**) –, on the other hand, with regard to the management of FUNESPAÑA after the Merger, have come into force as set out in clauses 6 to 13.

Pursuant to the provisions of articles 60 et seq. of the Spanish Securities Market Act and of Royal Decree 1066/2007, MAPFRE FAMILIAR has acquired a controlling shareholding in FUNESPAÑA as it has reached a percentage of voting rights exceeding 30% of all the voting rights corresponding to the shares representing its share capital.

The Offer shall be considered as a mandatory offer pursuant to the Spanish Securities Market Act and Chapter II of Royal Decree 1066/2007, since MAPFRE FAMILIAR has acquired a controlling shareholding in the share capital of FUNESPAÑA.

The Merger deed was issued on 18<sup>th</sup> November 2011 before the Notary Public of Almeria, Mr. Alberto Agüero de Juan with protocol number 3,106, and was registered at Madrid's Registrar of Companies on 24<sup>th</sup> November 2011 and at Almeria's Registrar of Companies on 30<sup>th</sup> November 2011.

**5.- MAPFRE FAMILIAR'S SHAREHOLDING IN FUNESPAÑA:** MAPFRE FAMILIAR holds 6,457,671 shares in total, representing 45.12% of FUNESPAÑA's share capital and voting rights.

Likewise, following the registration of the Merger, the voting rights corresponding to the Minority Shareholders, i.e. 3,022,072, representing 21.12% of the total, as well as those corresponding to Mr. Alberto Ortiz Jover, i.e. 25, have been assigned to MAPFRE FAMILIAR pursuant to article 5 of Royal Decree 1066/2007.

Neither MAPFRE FAMILIAR, nor the companies of the Group to which it belongs nor –to the best of MAPFRE FAMILIAR's knowledge and belief after having made all due enquiries– its directors or the directors of its Group company appointed at its proposal or any other persons or entities acting on behalf of or in concert with the former, hold directly or indirectly, jointly or severally, any shares of FUNESPAÑA or any financial instruments conferring rights for their subscription.

Accordingly, and pursuant to the provisions of article 5 of Royal Decree 1066/2007, 9,479,768 shares are assigned to MAPFRE FAMILIAR, representing 66.24% of the total voting rights of FUNESPAÑA.

Between 20<sup>th</sup> December 2009 (i.e. the period of time comprising the twelve months prior to the Offer being announced by means of a Relevant Fact on 20<sup>th</sup> December 2010) and the date of this announcement, MAPFRE FAMILIAR has acquired (i) 2,946,244 shares prior to the execution of the Merger and (ii) 3,511,427 shares as a result of the Merger. The maximum price paid or agreed per share concerning the aforementioned acquisitions amounted to €7.00.

Furthermore, between 20<sup>th</sup> December 2009 and the date of this announcement, the Minority Shareholder, Mr. Juan Valdivia Gerada, has sold 540,000 shares of FUNESPAÑA for a consideration of €7. Likewise, in this period, Mr. Alberto Ortiz Jover, a joint and several director of the former company, Gestora de Activos Funerarios Gesmap, S.A.U, acquired 25 shares of FUNESPAÑA for a consideration of €7.44 in a market transaction with no price instructions, with the only aim of being appointed director thereof by co-optation, since it is

necessary to be a shareholder to be appointed using this co-optation system pursuant to the law.

Except for the acquisitions or transfers set out in the previous paragraph, neither MAPFRE FAMILIAR, nor the companies of the Group to which it belongs nor –to the best of MAPFRE FAMILIAR’s knowledge and belief after having made all due enquiries– its directors or the directors of its Group company appointed at its proposal or any other persons or entities acting on behalf of or in concert with the former, have undertaken any operations either directly or indirectly, in cash or in instalments, with respect to FUNESPAÑA’s shares or to securities or instruments that entitle to acquire or subscribe shares of FUNESPAÑA between 20<sup>th</sup> December 2009 and the date of this announcement.

Except for MAPFRE FAMILIAR itself and Mr. Alberto Ortiz Jover, appointed at the Offerer’s proposal as director of FUNESPAÑA, and the Minority Shareholders, no other members of the management and governing bodies of FUNESPAÑA have been appointed by the Offerer or by any other person acting in concert therewith.

**6.- INFORMATION ABOUT THE COMPANY CONCERNED:** FUNESPAÑA, S.A. is a Spanish public limited company, with registered offices in Almeria, Calle Sufli s/n (presently no. 4), Rotonda Cuesta Los Callejones and tax code A-04128732.

The share capital of FUNESPAÑA amounts to €4,293,428.10. This share capital is represented by 14,311,427 shares, each with a par value of €0.30 and represented by book entries. These shares have the same political and economic rights, are fully subscribed and paid-up, and belong to the same class and series.

FUNESPAÑA has not issued any subscription rights, bonds or obligations convertible or exchangeable into shares of the company, or any other similar securities or instruments that may directly or indirectly entitle to acquire or subscribe shares of FUNESPAÑA. Consequently, there are no FUNESPAÑA securities other than the shares at which the Offer is targeted.

The shares of FUNESPAÑA are listed on the Madrid and Barcelona Stock Exchanges and included in the Spanish Stock Exchange Interconnection System (Continuous Market). The company responsible for duly registering the shares in the accounting registers is IBERCLEAR (Sociedad de Gestión de los

Sistemas de Registro, Compensación y Liquidación de Valores) and its Member Companies.

**7.- SECURITES AND MARKETS AT WHICH THE OFFER IS TARGETED:**

The Offer comprises all the shares representing FUNESPAÑA's share capital, i.e. 14,311,427 shares, each with a par value of €0.30, and it is directed to all their holders.

As an exception to the foregoing, the 6,457,671 FUNESPAÑA shares representing 45.12% of those held by MAPFRE FAMILIAR will be immobilised and will not be subject to the Offer. Likewise, the 2,350,491 shares owned directly or indirectly by Mr. Juan Valdivia Gerada, the 131,628 shares owned by Mr. Ángel Valdivia Gerada, the 467,381 shares owned by Mr. Wenceslao Lamas López and the 72,572 shares owned by Mr. Wenceslao Lamas Fernández, which represent 21.13% altogether, will be immobilised as well and will not be subject to the Offer.

Therefore, the total number of shares actually subject to the Offer stands at 4,831,684 FUNESPAÑA shares.

The Offer will be only made in the Spanish markets, where the FUNESPAÑA shares at which the Offer is targeted are quoted.

**8.- AGREED CONSIDERATION:** The Offer shall be considered as a purchase and FUNESPAÑA's shareholders will be offered SEVEN EUROS (€7.00) in cash per share.

The price offered for the shares of FUNESPAÑA has been set taking as a reference the highest price that the Offerer and the persons acting in concert therewith or on its behalf have paid or agreed for FUNESPAÑA securities between 20<sup>th</sup> December 2009 (i.e. the period of time comprising the twelve months prior to the Offer being announced by means of a Relevant Fact on 20<sup>th</sup> December 2010) and the date of this announcement.

The Offer price is considered to be fair in accordance with the provisions of article 9 of Royal Decree 1066/2007 and corresponds to the price paid by the Offerer on 22<sup>nd</sup> July 2010.

The purchase by Mr. Alberto Ortiz Jover of 25 shares for a consideration of €7.44 in a market transaction with no price instructions – with the only aim of being appointed director by co-optation, since it is necessary to be a

shareholder to be appointed using this co-optation system pursuant to the law – is not material for the consideration of a fair price.

**9.- CONDITIONS FOR THE OFFER TO BE EFFECTIVE:** The Offer shall not be subject to any conditions.

**10.- COMPETITION ACT AND OTHER AUTHORISATIONS FROM OTHER SUPERVISORY BODIES:** The Offer is not subject to the European Commission authorisation set out in (EC) Regulation no. 139/2004 of the Council, of 20<sup>th</sup> January 2004, on control of concentrations between undertakings, as it has no Community dimension according to the notification thresholds envisaged in article 1, sections 2 and 3, of the said Regulation.

The increase in MAPFRE FAMILIAR's shareholding in FUNESPAÑA was considered an economic concentration arising from the execution of the Merger as well as from the signing of the Shareholders Agreement (see section 1), which was reported to the National Competition Commission on 29<sup>th</sup> June 2011. The Merger was authorised on 27<sup>th</sup> July 2011 and was effective on that same date; therefore, the Offer does not entail a new change in the control structure of the Company as laid down in article 7.1 of Competition Act 15/2007, of 3<sup>rd</sup> July. Accordingly, the control structure already approved by the National Competition Commission on 27<sup>th</sup> July 2011 will be maintained.

According to the information in the possession of the Offerer, there are no other official authorisations to which the Offer is subject.

**11.- AGREEMENTS RELATING TO THE OFFER:** On 31<sup>st</sup> May 2011, MAPFRE FAMILIAR and the Minority Shareholders entered into a Shareholders Agreement with the aim of regulating their relationships as shareholders of FUNESPAÑA and including certain provisions in relation to the Merger and the Offer.

The Shareholders Agreement shall be considered a partnership agreement in accordance with the provisions of article 530 et seq. of Royal Legislative Decree 1/2010, of 2<sup>nd</sup> July, which approves the Recast Spanish Companies Act. Consequently, the formalisation of this Agreement was reported to FUNESPAÑA and to the CNMV and the corresponding relevant fact (number 144,733) was released on that same date, 31<sup>st</sup> May 2011, which is available on the CNMV's website.

**12.- INITIATIVES ON STOCK MARKET ISSUES:** The Offerer's intention is that FUNESPAÑA's shares continue to be listed on the Stock Exchanges on which they are currently quoted, provided they maintain an adequate free-float and liquidity. In this sense, it is expressly stated that the Offer is not aimed at excluding the shares of FUNESPAÑA from the Stock Exchanges and the Offerer does not intend to force their sale provided the conditions set out in article 47 of Royal Decree 1066/2007 are complied with.

Likewise, the Offerer intends to submit a proposal to the Board of Directors of FUNESPAÑA to undertake a capital increase for a consideration of €25,045,000 with the aim of reducing the debt levels. This increase is expected to be made through the issuance of one new share – with a par value of €0.30 – for every four existing shares, within the period of 12 months from the moment the Offer ends. The capital increase will have a share premium of €6.70 per share, and therefore the outlay per share will be equivalent to €7.00, an amount that coincides with that included in the Offer.

In Madrid, 30<sup>th</sup> November 2011

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Mr. Francisco José Marco Orenes  
CEO, MAPFRE FAMILIAR

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*In accordance with article 30.6 of Royal Decree 1362/2007, of 19<sup>th</sup> October, as from the date of this announcement, those FUNESPAÑA's shareholders that acquire securities that confer voting rights must inform the CNMV about this acquisition when the proportion of voting rights they hold reaches or exceeds 1%.*

*Likewise, the shareholders who already held 3% of the voting rights must inform of any operation that involves a subsequent change in said percentage.*

*Pursuant to section 2.b) of the Fifth Rule of the CNMV's Circular 3/2007, of 19<sup>th</sup> December, as from the date of this announcement the application of the liquidity contract of the company concerned, if any, must be suspended.*